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## MANAGEMENT REPORT

**Date:** January 13, 2025  
**To:** Mayor and Council  
**From:** Naeem Khan, Chief Technology & Security Officer  
**Report Number:** COU24-002  
**Attachments:** Bid Closing Submission Summary

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**Title:** Award of Tender T-2024-36: Supply and Delivery of Meraki Hardware and Licensing

**Objective:** To seek approval to award Tender T-2024-36 for the supply and delivery of Meraki Solutions, which includes 139 security cameras and three years of licensing, to the lowest qualified bidder, C.E. Technology Solutions Ltd.

**Background:** On November 29, 2024, a request for tender (T-2024-36) was issued to supply and deliver video surveillance equipment for City facilities. Many of the current video surveillance systems at these locations are outdated and unreliable, operating on older technologies.

Multiple challenges exist with the existing video surveillance systems, including:

- Inconsistent and unreliable performance due to aging hardware.
- Time and date synchronization issues, which compromise the integrity of recorded footage.
- Limited coverage and quality in areas critical for security monitoring.
- Inadequate storage capacity, making it difficult to retain video data for the required duration.

These challenges have resulted in delays in responding to incidents and reduced effectiveness of the systems in meeting operational and security needs.

In 2021, IT staff conducted extensive research as part of the Public Housing Connectivity and Security System project to evaluate technology solutions to improve building security, reliability, and compliance with cybersecurity best practices. These include:

- Keeping software and devices protected from external threats.
- Ensuring the integrity and privacy of data, both in storage and during transmission.
- Establishing improved processes for managing and securing video surveillance data.

The outcome of this research emphasized the need to modernize video surveillance systems across City facilities to align with industry standards and cybersecurity guidelines.

To address these issues and ensure a robust, secure, and reliable system, IT staff reviewed the current camera inventory, identifying areas for improvement, and assessing future needs. As a result, the need for 139 cameras was identified.

The new cameras are a mix of indoor, outdoor, and specialized models to address the unique needs for coverage of each facility as follows:

- Wide-angle mini dome cameras (with on-board storage) – 10 units
- Varifocal indoor dome cameras (standard and extended storage) – 50 units
- 360° indoor dome cameras – 13 units
- Varifocal outdoor bullet cameras (high-capacity storage) – 15 units
- Fixed lens outdoor dome cameras (standard and 4K resolution) – 36 units
- Varifocal outdoor dome cameras (with on-board storage) – 2 units
- 360° outdoor-rated dome cameras (high-capacity storage) – 13 units

Along with the hardware, 3-year licensing and support for all 139 cameras was included in the tender requirements.

This project will modernize the City’s video surveillance infrastructure, ensuring:

- Improved reliability and coverage across critical locations.
- Compliance with best cybersecurity practices, protecting data integrity and privacy.
- Enhanced operational efficiency through modernized technology.

The system builds on the successful implementation of modern surveillance technologies at Public Housing buildings, where similar upgrades have already delivered significant improvements in performance and security.

**Analysis:** The total project budget consists of: \$182,000 for equipment (IT and Facilities' 2024 capital budget) and \$80,000 for contracted services to assist with the configuration and installation, which will begin in 2025.

Most of the configuration and installation will be completed by staff to minimize costs. Existing units at some locations will be replaced directly, while at other sites additional work will be required, including:

- Addressing height restrictions that limit access.
- Installing proper network cabling where it is currently unavailable.

Full configuration and installation estimates provided by external contractors is approximately \$200,000. By managing much of the work internally, this cost is estimated at \$80,000.

Six submissions were received for Tender T-2024-36: Supply and Deliver Meraki Solutions. Staff reviewed all tenders for completeness, qualifications, and compliance with the requirements.

Details of the submissions are provided in the attached Bid Closing Summary Document for reference.

After a thorough review, staff recommend awarding the contract to the lowest qualified bidder, C.E. Technology Solutions Ltd., at a total cost of \$180,954 plus HST.

The total costs are comprised of:

- 3-year licensing costs: \$53,795.78 (before HST), which is expensed annually and equipment \$127,159.00 (before HST).

### **Financial Implications:**

#### **Financial impact on current year operating budget:**

The project was planned in 2024, to be funded from the capital program. As this project was not completed in 2024, the expenses will be recorded in 2025. One third of the licensing costs will be expensed through the IT operating expense accounts annually, funded by a transfer from the reserve funds, while the equipment expenditures will be expensed through the capital program in 2025 and funded from the capital reserve funds as approved in the 2024 budget. Any additional contractor costs will be expensed through the regular operating budget as required during the installation phase in 2025.

#### **Financial impact on future year operating budget:**

In 2026 and 2027, the remaining licensing costs will be included in the operating budgeted expenses (one-third in each year). In 2029, the licensing cost for the Meraki solution will need to be renewed for an estimated \$18,000 (excluding HST) per year.

**Alignment with Strategic Priorities:**

**Enhance our Infrastructure**

This report aligns with this priority as it replaces outdated video surveillance systems with modern, reliable technology, improving security and operational efficiency across City facilities.

**Intentionally Change to Support the Future**

This report aligns with this priority as it leverages current technology to meet cybersecurity best practices, ensuring the City's systems are secure, resilient, and prepared to address future challenges

**Alignment with One Planet Principles:**

**Health and Happiness**

This report aligns with this principle by improving the safety and security of City facilities, creating a more secure and protected environment for staff and visitors.

**Zero Carbon Energy**

The replacement of outdated video surveillance equipment with modern technology contributes to improved energy efficiency. New systems, like the Meraki solution, are designed to consume less energy and align with current sustainability standards, reducing the City's overall energy footprint.

**Staff Recommendation: THAT the Tender (T-2024-36) for the Supply and Delivery of Meraki Solutions, including 3-year licensing, be awarded to C.E. Technology Solutions Ltd. for a total cost of \$204,479.00, including HST.**

**Prepared by:** Naeem Khan, Chief Technology & Security Officer  
**Recommended by:** Joan Thomson, Chief Administrative Officer